

**Economic Impact Statement**  
LSA Document #21-388

**IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses****Description of the Rule**

This rule will clarify the definition of gasohol. Currently, there is ambiguity as to what type of gasohol qualifies as gasohol in Indiana. Creating this rule will provide certainty to the regulated industry for what is allowed to be sold as gasohol. This definition will also clarify what Reid Vapor Pressure (RVP) limits apply to the gasohol for sale.

The rule will also state what test is to be used to determine what the RVP limit is for gasohol. This ambiguity comes from confusion based on the current statutory language.

This rule only formalizes the current statutory interpretation of the Indiana Department of Health to provide certainty for the regulated entities. It does not add any additional requirements and has no costs to businesses.

**Economic Impact on Small Businesses****1. Estimate of the number of small businesses, classified by industry sector, that will be subject to the proposed rule.**

[IC 5-28-2-6](#) defines a small business as a business entity that satisfies the following requirements:

(1) On at least fifty percent (50%) of the working days of the business entity occurring during the preceding calendar year, the business entity employed not more than one hundred fifty (150) employees.

(2) The majority of the employees of the business entity work in Indiana.

There are over 200 gas stations that sell E15 gasohol in Indiana, many of which may be small businesses.

**2. Estimate of the average annual reporting, record keeping, and other administrative costs that small businesses will incur to comply with the proposed rule.**

This rule does not add any additional reporting, record keeping, or other administrative costs to the regulated entity.

**3. Estimate of the total annual economic impact that compliance with the proposed rule will have on all small businesses subject to the rule.**

Compliance with this rule does not increase any costs for the regulated entity. The certainty of statutory interpretation may help see an increase in their economic output because they can sell gasohol with regulatory certainty.

**4. Statement justifying any requirement or cost that is imposed on small businesses by the rule; and not expressly required by the statute authorizing the agency to adopt the rule; or any other state or federal law.**

This rule does not impose any costs not expressly required by statute because this rule is only a clarification of the statute.

**5. Regulatory Flexibility Analysis**

Other factors considered:

**A. Establishment of less stringent compliance or reporting requirements for small businesses.**

The rule cannot be less stringent because it is limited by the relevant statute.

**B. Establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses.**

This rule does not set any deadlines or schedules for compliance or reporting, so they cannot be less stringent.

**C. Consolidation or simplification of compliance or reporting requirements for small businesses.**

This rule does not create any reporting requirements or compliance requirements, so consolidation is not necessary.

**D. Establishment of performance standards for small businesses instead of design or operational standards imposed on other regulated entities by the rule.**

There are no operation standards in the rule, so this consideration does not apply.

**E. Exemption of small businesses from part or all of the requirements or costs imposed by the rule.**

This rule is only a clarification. Small businesses cannot be exempted from statutory requirements.

**Conclusion**

This rule does not add any additional costs to small businesses because the rule is only providing clarification

of agency interpretation of the existing statute. This interpretation is consistent with current federal regulations on the matter.

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